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BUS FACTS

INTERCITY BUS INDUSTRY IN 1981 AND DECADE OF 70'S

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About the American Bus Association

The American Bus Association is the national organization of the intercity bus industry. Nearly 700 private intercity carriers, including Greyhound and Trailways, are members of the ABA. Collectively, ABA operator members provide more than 90 percent of all intercity bus travel in the United States and Canada.

In addition to bus operator members, more than 1,500 organizations involved in travel and tourism are ABA members. More than 100 firms in allied industries, associations and 43 state travel offices hold membership in the Association.

The ABA maintains a full-time research staff to collect and analyze data on the bus industry from a variety of sources. On a routine basis, the ABA shares the results of its analyses with government agencies, educational institutions, and private consultants, as well as members of the Association.

Foreword

An examination of the data contained in this edition of *Bus Facts* confirms an important trend in bus travel. Long an integral component of the national transportation network, the bus industry in recent years has experienced unprecedented growth in popularity as a vehicle for travel and tourism. While scheduled service continues to be the backbone of the industry and produces the most revenue, over half of all bus passengers are now carried in tours and charters. This burgeoning market has caused significant changes in the characteristics of the industry and deserves most of the credit for the industry's ability to hold its own in 1981, despite a severe recession and a depressed travel market.

The increase in travel and tourism business did not entirely insulate bus operators from the effects of the recession, however. Even though carrier revenues in 1981 exceeded $2 billion for the first time — a 6.8 percent increase over the previous year — greater operating expenses chipped away at pretax profits, which declined by 15.6 percent.

What the statistics in this edition do not show, however, is that a remedy now exists for the bus industry's economic anemia. Indeed, the industry is on the threshold of a new era. After being strictly regulated for nearly 50 years, the enactment of bus regulatory reform will give bus operators the freedom they need to respond better to new market demands, adjust rates to meet competition from other modes of transportation, and experiment with new routes and schedules with much less interference from federal and state regulatory agencies.

Such legislation has been passed by the Congress and signed by the President. It will dramatically change the law under which the industry has been regulated. When regulatory reform is implemented, it is important to keep several things in mind:

1. The bus regulatory reform is just that; it is not total deregulation. Reasonable regulation remains to protect the public, with particular emphasis on safety and adequate insurance.
2. This change will allow bus operators to run their business as their management judgment and the needs of the public dictate. Stifling federal and state regulations will be eased.
3. This reform creates an even more competitive environment for bus operators than has existed. The industry's performance in this new environment will obviously depend on individual operators management judgment and marketing skills. It will be an era of great challenges and opportunities.

Bus Facts, first issued 55 years ago, is a chronicle of the intercity bus industry. This edition would not be complete without the notation that the data it contains record the performance of the industry in its last full year of stringent regulation.

Sincerely,

Norman R. Sherlock
President & Chief Executive Officer

September, 1982

The Bus Industry In Perspective

Profile

The intercity bus industry in the United States comprises 1,470 companies that provide regular route, charter, tour, and package express services. With a fleet of 21,200 buses in 1981, the industry carried 375 million people among more than 15,000 con munities. Intercity buses traveled more than a billion miles in total. The industry employed 49,400 people, not including a large number of commission ticket agents and their employees who provide station services in smaller communities.

Interstate bus companies are divided into two categories by the Interstate Commerce Commission: Class I carriers (annual revenues of $3 million or more) and all others (annual revenues of less than $3 million). In addition, there are bus companies which operate exclusively intrastate services. Of the nearly 1,500 bus companies in operation, the 46 Class I carriers provide the bulk of the nation's regular route scheduled service. They generated 58.8 percent of intercity passenger-miles in 1981, but accounted for only slightly more than one-third the number of total passengers. Class I carriers account for about 90 percent of all passenger miles of scheduled intercity bus service and dominate the bus package express business.

Most Non-Class I carriers engage chiefly in charter and tour services. They generate only about 10 percent of the nation's regularly scheduled passenger miles of intercity bus service, but they transport two-thirds of the total charter and tour passenger miles.

Comprehensive data are only available on Class I carriers. Therefore, the figures presented in this report refer only to Class I carriers unless otherwise specified.

INTERCITY BUS INDUSTRY IN THE UNITED STATES
Class I and Non-Class I Carriers

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981**
Number of Operating Companies	1,000	1,000	1,000	950	950	1,000	1,050	1,100	1,200	1,330	1,470
Number of Buses	21,900	21,400	20,800	21,000	20,500	20,100	20,100	20,400	21,300	21,400	21,200
Miles of Highway Served[1]	267,000	270,000	270,000	271,000	274,000	276,000	276,000	278,000	280,000	279,000	272,000
Number of Employees	50,200	49,100	48,400	49,400	46,700	46,000	45,700	46,000	48,100	49,100	49,400
Total Bus Miles (millions)	1,202	1,182	1,178	1,195	1,126	1,118	1,118	1,100	1,153	1,162	1,136
Revenue Passengers (millions)	395	393	381	386	351	340	329	336	368	365	375
Revenue Passenger Miles (millions)	25,500	25,600	26,400	27,700	25,400	25,100	26,000	25,600	27,700	27,400	26,900
Operating Revenues, all services ($ millions)	953.2	974.4	1,022.7	1,151.9	1,171.6	1,231.9	1,331.3	1,419.5	1,664.1	1,943.0	2,074.6
Operating Expenses ($ millions)	851.8	882.1	937.9	1,070.0	1,103.2	1,179.9	1,276.2	1,366.4	1,572.2	1,810.9	1,963.1
Net Operating Revenue, before income taxes ($ millions)	101.4	92.3	84.8	81.9	68.4	52.0	55.1	53.1	91.9	132.1	111.5
Operating Ratio	89.4	90.5	91.7	92.9	94.2	95.8	95.9	96.3	94.5	93.2	94.6
Taxes Assignable to Operations[2] ($ millions)	80.7	84.1	89.6	94.8	96.5	100.6	102.8	101.6	102.4	111.3	123.7

[1]Includes duplication between carriers
[2]Excludes income taxes

Industry Performance — 1981

The entrance into the industry of new, relatively small firms specializing in charter and tour services is the primary cause for a 10.5 percent increase in the number of bus companies in 1981 over 1980. Also due to the growth of the charter and tour market, the industry as a whole experienced a moderate ridership growth of 2.7 percent over 1980, with most of the increased demand met by non-Class I carriers.

Revenues in 1981 for the first time surpassed $2 billion — a 6.8 percent increase over 1980 and a 25 percent increase over 1979. Expenses increased by 8.4 percent, however, causing a decline in net operating revenues (15.6 percent) and a higher operating ratio (i.e. expenses were 94.6 percent of revenues in 1981 as compared with 93.2 percent in 1980).

In response to poor economic conditions, bus operators reduced service levels in 1981. Both highway route miles and bus miles of service fell below 1980 levels. The total fleet size of the industry also decreased slightly, from 21,400 in 1980 to 21,200 in 1981, failing to keep pace with the growth of new firms. The average fleet size in 1981 was 14.5, down from 21 in the mid-1970s. This is due in part to larger carriers' retiring unnecessary equipment as part of their modernization programs.

Even though the industry's profits dropped slightly in 1981, bus companies provided 300 new jobs that year. Passenger miles declined for the second year in a row to 26.9 billion, but the data show that this figure has been very stable over the past decade, ranging only from 25.1 to 27.7 billion.

DISTRIBUTION OF CLASS I & NON-CLASS I BUS TRAFFIC

	Passenger Miles (billions)		Passengers (millions)	
	Class I	Non-Class I	Class I	Non-Class I
Regular Route	12.1	1.4	98.4	26.4
Charter, Tour, Local and Special Services	3.8	9.6	27.2	223.0
Total	15.9	11.0	125.6	249.4

Source: ABA estimate

A Comparison With Other Modes of Travel

The bus industry carries more travelers and serves more communities than any other mode of transportation except the automobile. Defying a general trend in public transportation for the third year in a row, bus industry ridership increased in 1981 to 375 million passengers, a gain of 2.7 percent. Amtrak ridership fell 2.8 percent, and domestic air travel dropped by 2.6 percent. In terms of passenger miles, intercity bus travel declined 1.8 percent, which implies that although more people rode buses, they took shorter trips. Domestic air passenger miles fell by 1.6 percent in 1981, while Amtrak registered a 3.9 percent improvement.

The *Official Bus Guide* lists 14,600 communities served by the intercity bus industry. Many small cities and towns not listed in the *Guide*, however, also receive bus service. Fewer than 1,000 of the points served by buses have airline or rail service, making the bus by far the most ubiquitous form of common carrier intercity passenger transportation service. By contrast, the airlines serve 628 communities and Amtrak, 525.

INTERCITY COMMON CARRIERS
1981 COMPARATIVE DATA

	Intercity Bus	Amtrak	Air
No. of Passengers (millions)	375.0	20.6	276.8
% of Total	55.8	3.0	41.2
Passenger Miles (millions)	26,900	4,762	202,100
% of Total	11.5	2.0	86.5
No. of Places Served	14,600	525	628

Sources: Bus — ICC and ABA estimates; Rail — Amtrak Annual Report; Air — Air Transport Association & Civil Aeronautics Board

Class I Carrier Performance In 1981

Class I carriers did not fare as well in 1981 as non-Class I carriers. While non-Class I carriers registered a 7.3 increase in passenger miles and a 7 percent increase in passengers, Class I carriers lost 4.8 percent of boardings and 7.3 percent of passenger miles. Because the larger carriers are more heavily concentrated in regular route service, these data accentuate the rapid growth in bus charter and tour demand.

Class I revenue grew by 5.9 percent in 1981 but was exceeded by a 6.8 percent hike in costs. As a result, the operating ratio deteriorated to 95.1, reversing an earlier trend toward an improving operating ratio. The Class I fleet was reduced by more than 600 coaches to about 7,800 vehicles. This was largely due to fleet modernization and the retiring of old buses on the part of a few large carriers. Employment edged up by 0.3 percent to 31,050.

Excluding Trailways and Greyhound from the Class I data, a slightly different picture emerges. The Class I bus fleet excluding the two largest carriers declined by only 4.8 percent, and employment grew 3.5 percent. Passengers and passenger miles fell by 2.3 percent and 2.9 percent, a more moderate reduction than was recorded for all Class I operators, reflecting larger proportions of charter and tour services typical of the smaller companies.

The proportion of all Class I carrier revenue generated by the various services has been relatively constant since 1976, but the data show that the charter and tour market is becoming an increasingly important business even for Class I operators. In 1981, 15.3 percent of Class I passengers traveled in tours and charters, up from 10.4 percent in 1976. Regular route service still produces the most passenger-revenue — about two-thirds of the total — for the large carriers.

Revenue per bus mile from regular route passengers grew 10.7 percent, while revenue per bus mile from package express service increased 14.7 percent. Charter and tour revenue per bus mile grew only 6.6 percent. Revenue per passenger-mile, a good proxy for fares, increased by 14.7 percent, while the average revenue per passenger increased

12.5 percent, exceeding $10 for the first time.

Unlike airplanes, the average bus has not increased significantly in size in recent years, so the average load as measured by passenger miles per bus miles, gives a good indication of what is happening to load factors. Passenger miles per bus mile declined in 1981 for the second year in a row, suggesting a decline in productivity. The average passenger trip length also declined to 122 miles.

Expenses per bus mile rose 11.7 percent in 1981, paced by a 19 percent hike in the cost of fringe benefits for labor. Non-labor expenses increased by 9.5 percent. Fringe labor costs increased by $22.3 million. In 1971, fringe labor costs added 18.3 percent to payroll costs, but in 1981, the figure reached 28.4 percent. Average annual earnings of all employees of Class I carriers surpassed $20,000 for the first time in the history of the industry.

Labor productivity increases, on the other hand, have been difficult to achieve. Bus miles per driver have remained virtually unchanged for 50 years. Bus miles per employee averaged 23,750 in 1981, only marginally above the 1939 level and lower than the peak of just over 26,000 reached in 1968. Lack of productivity growth traces to technological and institutional constraints, such as the 55 mph speed limit.

Taxes paid by Class I carriers to all levels of government in 1981 consumed $114.9 million, just under 8 percent of gross revenues. The bus industry's tax liability was virtually unchanged from 1980 but was 26 percent above 1979 payments. Bus operator contributions to social security have tripled over the past decade and account for most of the increase; most other tax liabilities have remained stable. In fact, bus operators are exempt from federal excise taxes on motor fuels because of their energy efficiency.

1981 KEY PERFORMANCE MEASURES
Class I Interstate Carriers

	1971	1972	1973	1974	1975	1976	1976(A)*	1977	1978	1979	1980	1981**
Number of Companies	71	74	75	81	85	81	46	46	46	46	46	46
Number of Buses Owned	9,900	9,711	9,300	9,885	10,030	10,000	8,580	8,360	8,133	8,332	8,427	7,819
Miles of Highway Served[1]	193,000	198,000	198,000	205,000	211,000	213,000	191,000	191,000	193,000	195,000	193,000	188,000
Number of Employees	34,731	34,147	33,829	35,621	35,140	33,740	31,030	29,200	29,200	30,000	31,000	31,100
Total Bus Miles (millions)	856.0	845.8	850.0	885.6	848.9	838.0	774.6	766.1	740.0	762.9	771.2	737.3
Revenue Passengers (millions)	166.8	164.0	154.8	168.7	152.2	145.9	127.7	125.0	124.8	133.1	132.0	125.6
Revenue Passenger Miles (millions)	17,940	17,790	18,300	19,500	18,200	17,820	16,440	17,100	16,230	17,330	17,080	15,830
Operating Revenues, all services ($ millions)	758.4	775.3	814.6	932.6	954.7	997.0	932.4	983.1	1,035.7	1,205.1	1,390.4	1,471.7
Operating Expenses ($ millions)	664.4	689.6	738.0	858.7	893.2	952.1	890.5	937.7	998.3	1,146.9	1,311.1	1,399.8
Net Operating Revenue, before income taxes ($ millions)	94.0	85.7	76.6	73.9	61.5	44.9	41.9	45.4	37.4	58.2	79.3	71.9
Net income before income taxes ($ millions)	103.0	93.1	87.1	93.1	83.0	60.6	56.4	59.1	56.3	73.1	121.1	79.8
Net income ($ millions)	64.5	59.0	57.9	55.9	55.8	43.7	40.4	41.4	40.3	57.1	88.5	54.7
Operating Ratio	87.6	88.9	90.6	92.1	93.6	95.5	95.5	95.4	96.4	95.2	94.3	95.1
Taxes Assignable to Operations[2] ($ millions)	62.5	65.2	69.8	74.4	77.2	80.1	75.3	76.0	75.7	75.1	82.4	89.8
Net Value of Property Owned ($ millions)	323.8	343.4	358.1	367.4	395.4	419.3	390.7	433.0	447.9	460.7	493.6	525.7

[1]Including duplications
[2]Excluding income taxes

OPERATING PERFORMANCE — 1981

	ALL CARRIERS		CLASS I CARRIERS ONLY	
	Including Greyhound & Trailways	Excluding Greyhound & Trailways	Including Greyhound & Trailways	Excluding Greyhound & Trailways
Number of Operating Companies	1,470	1,455	46	31
Number of Buses	21,200	15,152	7,819	1,771
Number of Employees	49,400	24,596	31,100	6,296
Total Bus Miles (millions)	1,136	547.8	737.3	149.1
Revenue Passengers (millions)	375	296.8	125.6	47.4
Revenue Passenger Miles (millions)	26,900	14,196	15,830	3,098
Operating Revenues, all service ($ millions)	2,074.6	885.4	1,471.7	282.5
Operating Expenses ($ millions)	1,963.1	822.6	1,399.8	259.3
Net Operating Revenue, before income taxes ($ millions)	111.5	62.8	71.9	23.2
Operating Ratio	94.6	92.9	95.1	91.8

Sources: ICC data

PASSENGER TRAFFIC AND VEHICLE-MILES (Millions)
Class I Carriers

	1971	1972	1973	1974	1975	1976	1976(A)*	1977	1978	1979	1980	1981**
REVENUE PASSENGER-MILES TRAVELED IN REGULAR-ROUTE INTERCITY SERVICE	14,104	13,576	13,898	14,667	13,240	12,560	11,990	12,700	11,960	12,800	12,990	12,040
PASSENGERS CARRIED												
Total Number	167	164	155	168.7	152.2	145.9	127.7	125.0	124.8	133.1	132.0	125.6
Regular-route intercity service	129	127	119	126.3	117.6	112.1	101.7	100.4	97.2	103.2	104.0	98.4
Local and suburban service	19	16	17	17.0	13.7	13.5	12.7	10.1	8.2	8.7	8.8	8.0
Charter and special service	19	21	19	25.4	20.9	20.3	13.3	14.5	19.4	21.2	19.2	19.2
VEHICLE-MILES OPERATED												
Total	856.0	845.8	850.0	885.6	848.9	838.0	774.6	766.1	740.0	762.9	771.2	737.3
Regular-route intercity service	726.7	706.7	703.8	725.1	689.0	672.4	635.4	629.8	605.0	627.1	647.9	622.9
Local and suburban service	16.2	15.2	16.9	16.7	13.0	11.9	10.8	9.3	10.9	6.5	6.8	6.2
Charter and special service	112.3	123.2	128.6	141.2	144.9	151.7	128.3	126.7	124.0	129.2	116.4	108.1
Non-Passenger service	0.8	0.7	0.7	2.6	2.0	2.0	0.1	0.3	0.1	0.1	0.1	0.1
PASSENGER MILES IN REGULAR ROUTE INTER-CITY PASSSENGER SERVICE												
Per bus mile (average load)[1]	19.4	19.2	19.7	20.2	19.2	18.7	18.9	20.2	19.8	20.4	20.0	19.3
Per passenger (average trip)[1]	109	107	117	116	113	112	118	126	123	124	125	122

[1]Regular route, intercity service

OPERATING REVENUES AND EXPENSES
Class I Carriers
Millions of Dollars (Except where noted)

	1971	1972	1973	1974	1975	1976	1976(A)*	1977	1978	1979	1980	1981**
TOTAL REVENUES	758.4	775.3	814.6	932.6	954.7	997.0	932.4	983.1	1,035.7	1,205.1	1,390.4	1,471.7
Passenger service												
Intercity regular route	540.1	540.3	562.4	647.9	641.9	646.2	619.0	650.0	670.9	795.4	943.0	1,003.3
Local regular route	12.6	11.7	13.8	14.0	11.7	12.0	11.2	9.6	7.9	8.8	10.1	10.9
Charter and Special	85.5	95.2	104.2	127.2	146.6	162.8	135.1	145.7	160.1	181.8	201.6	199.6
Package express	104.1	110.1	115.2	121.9	131.2	151.9	146.3	154.4	173.0	190.2	203.4	224.0
Mail revenue	2.7	2.8	2.0	2.8	2.8	2.8	0.4	0.3	0.2	0.1	0.2	0.2
Station revenue	8.6	8.8	9.4	10.0	9.6	9.6	9.3	11.1	12.3	14.1	15.1	15.6
Other Operating Revenue[1]	4.8	6.4	7.6	8.8	10.9	11.7	11.1	12.0	11.3	14.7	17.0	18.1
REVENUES PER BUS MILE (cents)												
All services	88.6	91.7	95.8	105.3	112.5	119.0	120.4	128.3	140.0	158.0	180.3	199.6
Regular-route intercity service												
Passenger	74.3	76.5	79.9	89.4	93.2	96.1	97.4	103.2	110.9	126.8	145.5	161.1
Package express	14.3	15.6	16.4	16.8	19.0	22.6	23.0	24.5	28.6	30.3	31.4	36.0
Charter and special	76.1	77.3	81.0	90.1	101.2	107.3	105.3	115.0	129.1	140.7	173.2	184.6
Revenue in regular-route intercity service passenger mile (cents)	3.83	3.98	4.05	4.42	4.85	5.14	5.16	5.12	5.61	6.21	7.26	8.33
Per passenger (dollars)	4.19	4.25	4.73	5.13	5.46	5.76	6.09	6.47	6.90	7.71	9.07	10.20
TOTAL EXPENSES	664.4	689.6	738.0	858.7	893.2	952.1	890.5	937.7	998.3	1,146.9	1,311.1	1,399.8
Operations and maintenance	568.1	592.2	629.8	737.6	774.3	830.0	779.5	827.0	875.9	1,014.9	1,167.2	1,260.2
Transportation	236.1	244.0	260.7	316.3	329.7	349.7	327.0	346.6	358.2	424.6	507.9	547.7
Equipment maintenance and garage	101.5	101.1	104.3	118.0	123.7	129.8	119.8	123.9	129.3	148.8	169.3	183.9
Station expenses	115.2	119.2	127.6	145.7	149.6	163.6	157.8	164.1	175.6	204.5	237.0	256.9
Sales and marketing	21.7	22.4	24.3	28.3	32.5	36.8	35.1	36.2	38.8	42.2	45.3	47.8
Insurance and safety	23.3	25.8	29.7	35.7	35.6	37.6	34.4	41.3	46.8	50.3	47.1	47.4
Administrative/general	70.3	79.7	83.2	93.6	103.2	112.5	105.4	114.9	127.2	144.5	160.6	176.5
Depreciation and amortization	32.6	29.6	32.5	38.3	38.6	37.0	33.5	30.6	38.9	43.8	48.8	35.5
Operating taxes and licenses[2]	51.5	54.0	58.9	63.3	64.3	67.3	63.1	66.0	68.1	69.3	76.1	83.4
Operating rents, net	12.2	13.8	16.8	19.5	16.0	17.8	14.4	14.1	15.4	18.9	19.0	20.7
EXPENSES PER BUS-MILE (cents)												
Total operating expenses	77.6	81.5	86.8	97.0	105.2	113.6	115.0	122.4	134.9	150.3	170.0	189.8
Payrolls	39.0	40.6	42.8	46.8	50.8	54.8	55.8	58.4	63.6	69.4	77.2	86.2
Fringe labor costs	7.1	8.5	9.2	10.3	11.8	13.2	13.6	14.8	17.2	18.8	20.5	24.4
Nonlabor expenses	31.5	32.4	34.8	39.9	42.6	45.6	45.6	49.2	54.1	62.1	72.3	79.2

[1]Including transfers from government
[2]Excluding tolls, Federal excise taxes on new buses, parts and accessories and income tax

EMPLOYEES AND THEIR COMPENSATION — CLASS I CARRIERS

	1971	1972	1973	1974	1975	1976	1976(A)*	1977	1978	1979	1980	1981**
ALL EMPLOYEES												
Average Number	34,731	34,147	33,829	35,621	35,140	33,740	31,030	29,150	29,190	29,980	30,950	31,050
Payroll ($ millions)	333.9	343.2	363.5	414.6	431.3	459.7	432.5	447.5	470.9	529.8	595.7	635.6
Fringe labor costs[1] ($ millions)	61.1	72.0	78.7	91.3	100.0	110.5	105.3	113.3	127.3	143.7	157.9	180.2
Average annual earnings ($)	9,614	10,051	10,747	11,640	12,270	13,620	13,940	15,350	16,130	17,670	19,250	20,470
DRIVERS												
Average number	16,225	16,062	15,598	17,050	17,090	16,310	14,750	14,120	14,070	14,220	14,610	14,610
Payroll ($ millions)	183.0	188.8	199.8	230.9	238.6	252.7	237.2	244.4	255.5	288.2	322.6	335.0
Average annual earnings ($)	11,280	11,756	12,810	13,540	13,960	15,490	16,080	17,310	18,160	20,270	22,080	22,930
BUS MILES PER EMPLOYEE												
All employees	24,650	24,770	25,130	24,860	24,160	24,840	24,960	26,280	25,350	25,450	24,920	23,750
Drivers	52,760	52,660	54,490	51,940	49,670	51,380	52,520	54,260	52,590	53,650	52,780	50,470

[1]Including cost of driver, meals and lodging away from home

TAXES — CLASS I CARRIERS (Millions of Dollars)

	1971	1972	1973	1974	1975	1976	1976(A)*	1977	1978	1979	1980	1981**
TOTAL	101.0	99.3	99.0	111.6	104.4	97.0	91.2	93.7	91.7	91.1	115.0	114.9
STATE AND LOCAL HIGHWAY-USER TAXES	23.0	22.8	22.8	23.6	23.1	22.6	21.3	21.3	21.4	22.3	24.0	24.3
Motor fuel and oil	9.8	10.2	10.4	10.8	10.3	10.1	9.5	9.7	9.6	9.8	10.7	10.6
Licenses and registration fees	7.5	7.1	6.9	6.7	6.6	6.3	5.9	6.0	6.3	6.7	7.0	7.3
Tolls	5.7	5.5	5.5	6.1	6.2	6.2	5.9	5.6	5.5	5.8	6.3	6.4
FEDERAL EXCISE TAXES	12.7	13.0	12.8	12.0	13.8	13.7	12.7	11.1	8.4	0.9	1.0	1.0
SOCIAL SECURITY TAXES	15.0	16.9	21.2	24.8	26.0	29.4	27.2	29.3	32.3	38.0	43.1	44.9
OTHER OPERATING TAXES	11.8	12.5	13.0	14.0	14.3	14.4	14.1	14.3	13.6	13.9	14.3	14.6
INCOME TAXES	38.5	34.1	29.2	37.2	27.2	16.9	15.9	17.7	16.0	16.0	32.6	25.1

Energy Efficiency

Intercity buses are by far the most fuel efficient form of interurban transportation. Buses are three times more energy efficient than rail and about six times more fuel efficient than airplanes. Tour and charter buses, which usually operate with a full load, are particularly energy saving.

Safety

It is very safe to travel by intercity bus, far safer than by car. All common carrier modes have achieved such excellent safety records in the United States that a single accident with fatalities will greatly affect the rankings.

ENERGY EFFICIENCY AND INTENSITY
Domestic Intercity Modes

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981**
PASSENGER MILES PER GALLON OF MOTOR FUEL										
Intercity Buses										
All service	132	133	145	140	137	141	142	146	141	141
Regular-route intercity service	111	115	121	115	110	114	113	116	113	108
Charter and special service	201	201	208	208	208	197	200	205	198	205
Amtrak[1]	38	39	46	39	44	41	38	47	45	48
Automobiles	40	39	40	40	41	41	41	41	43	N/A
Airlines (certificated)	15	15	17	18	19	20	22	23	22	24
BRITISH THERMAL UNITS PER PASSENGER MILE										
Intercity Buses										
All service	1,051	1,043	957	991	1,012	983	977	950	984	984
Regular-route intercity service	1,250	1,206	1,019	1,206	1,261	1,217	1,227	1,197	1,227	1,284
Charter and special service	690	690	667	667	667	704	694	677	701	677
Amtrak	3,650	3,556	3,015	3,556	3,152	3,383	3,650	2,951	3,082	2,890
Automobiles	3,125	3,205	3,125	3,125	3,049	3,049	3,049	3,049	2,907	N/A
Airlines (certificated)	9,000	9,000	7,941	7,500	7,105	6,750	6,136	5,870	6,136	5,625

[1]Including diesel fuel equivalent of electric power used. Sources: Bus — ABA estimates based on ICC and carrier supplied data; Amtrak — R-1 reports to the ICC; Air — Civil Aeronautics Board; Automobile — Federal Highway Administration and Environmental Protection Agency.

SAFETY RECORD IN INTERCITY TRAVEL
Passenger Fatalities Per 100,000,000 Passenger Miles
Domestic Operations

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981**
Intercity buses	0.09	0.17	0.16	0.06	0.02	0.01	0.04	0.01	0.02	0.13	0.01
Automobiles	1.9	1.9	1.7	1.5	1.4	1.3	1.3	1.3	1.3	1.3	N/A
Railroads	0.23	0.53	0.07	0.07	0.08	0.05	0.04	0.13	0.05	0.04	N/A
Airlines	0.16	0.13	0.10	0.12	0.09	0.003	0.04	0.01	0.12	0.01	N/A

Source: National Safety Council, except rates for intercity buses, which are derived by ABA from ICC and Bureau of Motor Carrier Safety data.

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The Bus In Travel & Tourism

The intercity bus industry enjoyed a new surge of popularity as a vehicle for travel and tourism after the energy shortages of 1973 and 1974 took the travel and tourism industry by surprise. The partnerships that were formed then between bus operators and tourism executives have multiplied significantly. Now more than half of the bus industry's business is derived from tours and charters. **Bus operators themselves actually market 85% of all tours and charters.**

Because the bus industry comprises a large number of small firms, its economic impact on travel and tourism is not widely recognized. The ABA's preliminary findings of the expenditures of the bus industry and its customers shows a total of about $8.9 billion. Nationally, we estimate that bus travelers spent 93 million person-nights away from home and spent $4.8 billion for food, lodging and other goods and services. Those taking overnight trips spent an estimated $866 million on transportation. In addition, over $2.9 billion was spent by those taking day trips on intercity buses, and $225 million was spent by those shipping packages by bus.

These figures represent preliminary findings; they do not include primary and secondary impacts on income and employment. The data were derived from information provided by the 1977 National Travel Survey, the U.S. Travel Data Center, and state and local travel studies.

Expenditures by Intercity Bus Companies and Their Passengers 1981 ($ Millions)

Based on the data of the Census Bureau; National Travel Survey; the U.S. Travel Data Center; and the ICC.

Bus Manufacturing

Bus manufacturing has grown tremendously in recent years. Since 1977, annual output increased 55 percent by 1981. Last year alone, production surged a record 22 percent. By 1985, intercity coach manufacturing is expected to exceed 4,000 annually.

Virtually all the intercity buses in service today are the products of three manufacturers; all have significantly expanded their production capacities to meet the growth in demand. Prevost Company, Inc., has opened a new facility in Ste. Claire, Quebec. Greyhound has expanded its Transportation Manufacturing Corporation (TMC) plant in Roswell, New Mexico. Greyhound also assembles buses at its Motor Coach Industries (MCI) facility in Pembina, North Dakota. New Trails, Inc., the parent company of Trailways, will begin building buses at a new plant in Harligen, Texas, under the name Trailways Manufacturing, Inc. (TMI). New Trails also owns Eagle International, a bus manufacturer in Brownsville, Texas.

INTERCITY COACH MANUFACTURING

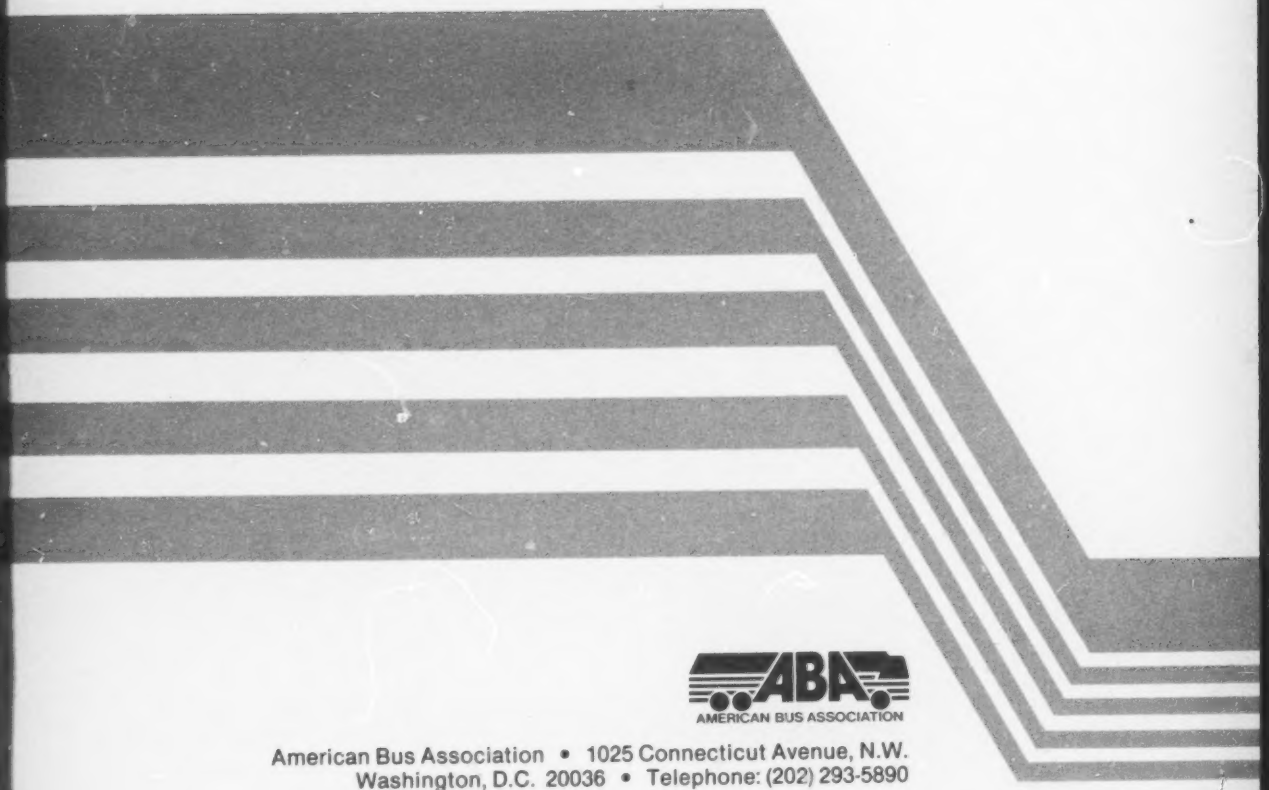
Year	# of Coaches
1977	1,420
1978	1,500
1979	1,600
1980	1,800
1981	2,200

Source: ABA estimate

Endnotes and Sources

Except as noted, information appearing in *Bus Facts* is derived from Annual (MP-1) and Quarterly (QPA) reports filed by Class I carriers with the Interstate Commerce Commission (ICC). Data for smaller companies are estimated on the basis of a partial review of MP-2 reports filed with the ICC before 1980 and on the performance of Class I carriers most comparable in size and operating characteristics. Information on intrastate carriers is available only from the quintennial Censuses of Transportation. These data are supplemented by ABA estimates.

The asterisk notations (*) refer to Class I carriers as defined by the ICC tests effective January 1, 1977. The double asterisk (**) indicates figures are preliminary. The notation N/A indicates the data were not available in time for this publication.



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